



Small Business Relief Grant Program Guidelines & Eligibility Criteria

In response to the economic hardships experienced by small businesses resulting from the COVID-19 pandemic, the City of East Lansing is launching the Small Business Relief Grant Program to retain jobs and stabilize local businesses. Funding for this program is being provided by the U.S. Department of Housing & Urban Development (HUD).

Eligible businesses may be awarded up to \$10,000 in grant funds through the Relief Program application process.

Eligibility Requirements of Business:

- For-profit business with a physical located in the City of East Lansing limits (map of City limits in Appendix A)
- Business must retain jobs for low-moderate income employees (income eligibility Criteria Found in Appendix B)
- Owner is 18 years of age or older
- Owner will have a valid SS #, EIN & DUNS Number
- Owner is currently not experiencing bankruptcy
- Owner is currently up to date with City taxes (2019 taxes)
- Owner will submit a signed application document

Terms of Grant Program:

- Grant application requests will be reviewed and awarded on a first come, first serve basis until a time when all grant funds are expended
- Maximum Grant Request Award: \$10,000
- Minimum Grant Request Award: \$1,000
- Grants will only be awarded to for-profit businesses subject to 24 CFR 570 regarding Special Economic Development Projects
- Businesses MUST provide proof to retention of job(s) for all income eligible employees listed on grant application materials equating to one full time position (proof provided through payroll documents)
- Business must have a physical location within the City of East Lansing limits (See Appendix A for boundary limits)

Eligible Grant Expenses:

- Payroll expenses
- Utility expenses
- Lease payments
- Mortgage payments

Ineligible Grant Expenses:

In addition to CDBG-ineligible costs outlined in 24 CFR 570, funds under this program may not be used to:

- Reimburse expenses incurred prior to the Applicant approval of grant
- Purchase personal items (all expenditures must be directly related to the business)

Grant Application Procedures:

- Applicant will complete the Small Business Relief Grant Application and submit all required supplemental materials to: grants@cityofeastlansing.com
- City of East Lansing Community Development Staff will review the grant application and provide follow-up correspondence to the applicant regarding the status of their application within 7 business days (i.e. Application Approved, Application Denied, Application Still Under Review and Additional Documentation Required)
- Approved applicants will sign and submit the Small Business Grant Agreement to grants@cityofeastlansing.com for processing
- Applicant businesses must agree to retain all employees through the terms noted within the Small Business Grant Agreement
- Funds will be disbursed by reimbursement only to the applicant for documented eligible project expenses
- Businesses can apply for and receive up to 2 installments of reimbursement payments, with the business providing proof of expenditures through the issuance of receipts, payroll records, etc.
- Reimbursements will be issued through the business' selection of one of two repayment options:

Option 1: Two total grant reimbursement payment are made. No earlier than 30 days after the grant agreement is executed, business recipients can seek a grant reimbursement up to 50% of the total amount awarded with proof of expenditures and all supplemental payroll reports for the employee(s) retained. No earlier than 90 days after the grant agreement is executed, the business can seek the remainder grant balance with proof of expenditures and all supplemental payroll reports for the employee(s) being retained.

Option 2: One grant reimbursement payment is made. No earlier than 90 days after the grant agreement is executed, the business can apply for the full amount of grant awarded in the Small Business Grant Agreement. Businesses must submit proof of all expenditures and supplemental payroll reports for the employee(s) being retained.

- Business Recipients of the grant will be provided one calendar year to apply for reimbursement of funds. Funds not applied for within one calendar year will be forfeit by the grant recipient.

Job Retention Requirement:

The business must commit to the retention of one full time employee for all grant awards (\$1,000-\$10,000 award). A full-time equivalent position is defined as 40 hours per week, or any combination of part-time positions combining for 40 hours per week, including owners. All positions retained must be held by employees who are a member of a low-/moderate-income household. (Example: 2 employees averaging 20 hours a week would meet the 40 hour criteria). In addition, all employee positions maintained must have been employed by the business a minimum of 30 days prior to the application submission.

Program Marketing

Program marketing will be conducted by the City and will affirmatively target women and minority-owned enterprises. Information will be shared with local chamber of commerce, and business networking organizations.

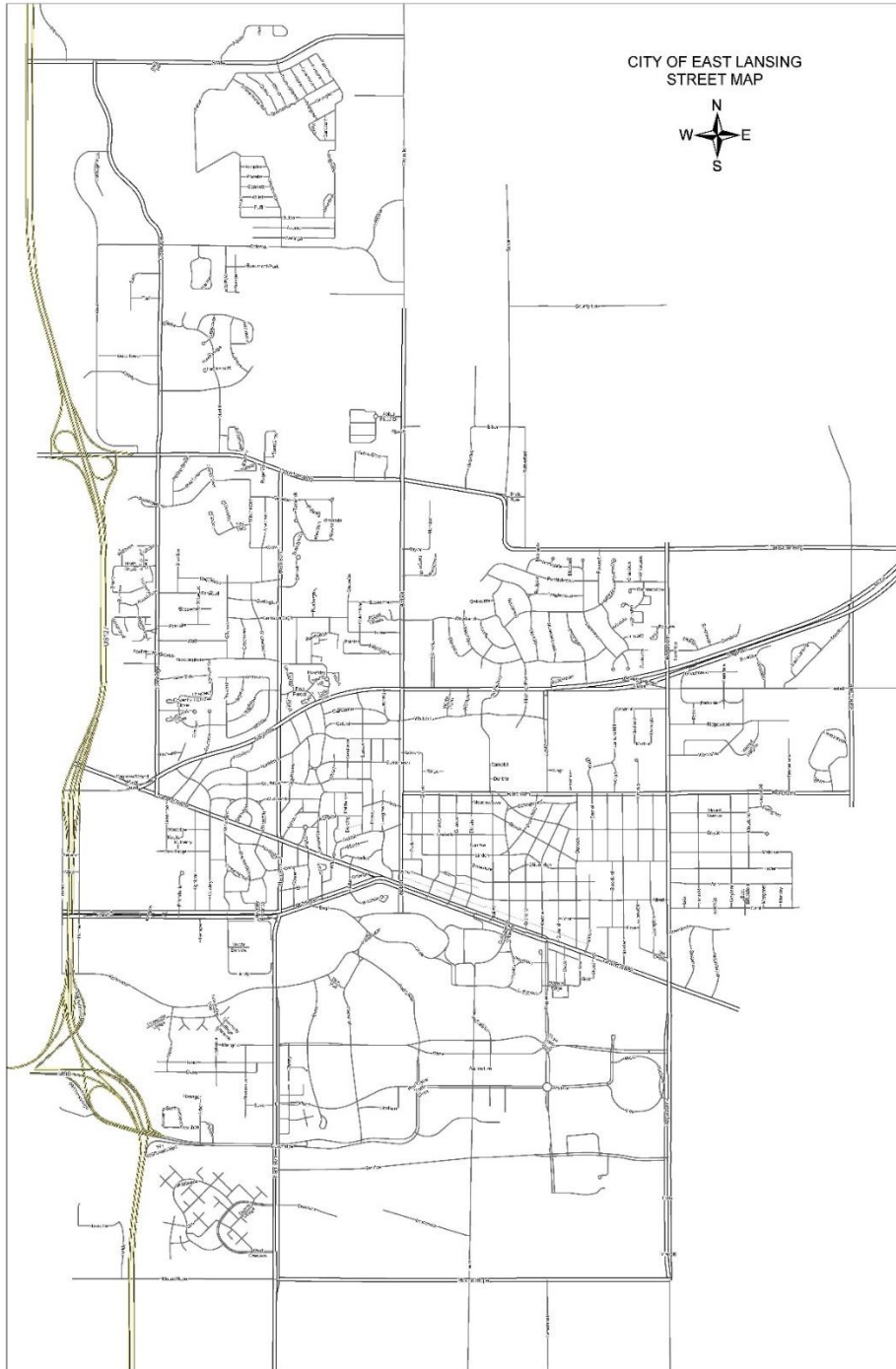
Equal Opportunity Compliance

No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any activity funded in whole or in part with CDBG program funds on the basis of his or her religion, religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status (number or ages of children), physical or mental disability, sexual orientation, or other arbitrary cause.

Dispute Resolution/Appeals Process

Applicants whose applications are not deemed eligible have the right to appeal the decision of the City, limited to procedural errors in the selection process. If no such procedural errors are found to have occurred, the decision of the City shall be final. An aggrieved applicant may, within seven (7) business days after the selection of prospective eligible projects, appeal in writing to the Director Community Development or their designee. The appeal must state all facts and arguments upon which the appeal is based.

APPENDIX A



APPENDIX B

INCOME ELIGIBILITY REQUIREMENTS								
Income Category	1-Per	2-Per	3-Per	4-Per	5-Per	6-Per	7-Per	8-Per
Low Moderate Income 80% of Median Income	\$44,950	\$51,350	\$57,750	\$64,160	\$69,300	\$74,450	\$79,550	\$84,700

***Business owners must verify the income eligibility for themselves and/or employees by meeting the income eligibility requirements noted above. Individuals cannot receive an annual gross income more than the amount indicated above, as these thresholds are set by the federal government.**